

APPENDIX B

SUMMARY OF TESTIMONY

At the request of the Committee or various interested groups, several Committee meetings were devoted to testimony. Recommendations were heard from transportation agencies, associations, community and lobbying groups and interested individuals. This testimony is summarized here. A copy of the complete written testimony is available upon request. Please contact Committee staff at 517-373-6672.

Recommendations from Testimony to Act 51 Infrastructure Study Committee (In Chronological Order)

June 2, 1999

County Road Association of Michigan - representing 83 members

- MTF should provide for the base level of dollars needed for basic maintenance.
- A formula only based on congestion/VMT would ignore the first recommendation of providing a base level of monies for basic maintenance.
- Non-urban counties don't have the tax base (SEV, population, industry, et c.) to generate sufficient funding for roads.
- Reallocating resources alone might resolve one agency's shortfall, but will increase the shortfall for others.
- Any recommendation should consider the entire road network due to the fact that motorists can't access freeways without local roads.

Metropolitan Planning Organizations - representing 12 members

- The number of dollars in the Michigan Transportation Fund needs to be increased if the transportation needs of the state are to be adequately addressed.
- The current formula of 39.1% to MDOT, 39.1% to county road commissions and 21.8% to cities and villages should not be altered at this time.
- Townships should be more involved in the project development process of the county road commissions for projects within their geographical boundary.
- There should be a comprehensive, system-wide review of the functional classification and jurisdiction of all roads in the state renewed on a regular basis.
- A comprehensive statewide transportation profile should be initiated.

June 24, 1999

Michigan Municipal League - representing 535 members

- Reduce “off-the-top” spending and insure that road dollars are spent on the roads.
- Coordinate road funding with infrastructure capacity and capabilities.
- Place emphasis on existing repairs before building new roads.
- Increase funding for the critical bridge program.
- Recognize the importance of local roads with increased funding.

Michigan Township Association - representing 1,242 members

- Allow townships, which choose to do so, to have jurisdiction and responsibility for their own roads.
- Include townships directly in the funding formula.
- Alternatively, establish a dedicated road fund that would be expended as directed by townships.
- Establish a structure that more appropriately represents townships’ needs by requiring county road commissioners to be elected or appointed from outside the incorporated boundaries of cities and villages.

Public Transit - representing 50 agencies

- Most importantly with regard to Act 51, a commitment must be made to transfer the full 10% from the MTF.
- Carefully examine how UPTRAN is funded, particularly administrative costs, in order to free funds for operating expenditures.
- This provision in Act 51 should be retained and used as a mandate that MDOT should not carry CTF balances from one year to the next.
- Public transportation capture revenue from all auto-related transactions, the sales tax statute should be updated to reflect changes in the marketplace.
- An assessment of the role public transportation plays in the various programs should be made and could be consolidated, thereby eliminating duplication and providing a more efficient use of tax dollars.
- Eliminate raids on CTF for economic development projects.

Representative John Pappageorge

- Failure to consider congestion when choosing what road to improve will lead to skewed priorities.
- Increase funding for transportation.
- Widen I-75 and Big Beaver Road.

July 8, 1999

Michigan Association of Counties - representing 83 members

- Maintain the current structure for road jurisdictions in the state.
- Eliminate or reduce the diversion of MTF dollars from roads and public transportation to other areas.
- Increase local bridge funding.
- Examine the use of transportation tools to encourage “effective and efficient growth.”
- Increase public transportation funding as it relates to human services and work force development.

Irv Rubin, Eastern Border Transportation Coalition - representing 18 members

- Maintenance is critical, and deferred maintenance is especially dangerous.
- The present tax structure is roughly equitable, except perhaps for large trucks.
- Consider raising the fuel tax.
- There is too much diversion of MTF funds to the Secretary of State and Department of Environmental Quality.
- Tolls are fundamentally unfair.
- Origin-destination studies are necessary, and their prohibition should be lifted.

July 27, 1999

Michigan Department of Transportation

- There is no need for a “needs study;” the Committee should advocate a system review plan.

- Simplify the current formula for increased accountability; implement one that directs funding by the utility of the road.
- Plug the leaks in the state transportation fund revenue bucket.
- Prioritize transportation investments; the first priority for state-raised revenue is support of high-level roads serving statewide and regional purposes.
- Strengthen state and local road agency partnerships.
- Make reforms for increased accountability and effectiveness, such as competitive bidding or creation of regional road agencies to replace county and municipal road agencies where a regional infrastructure exists.

Mr. David Gage (private citizen)

- Create a double stack freeway on US-31 between Holland and Grand Haven.

August 18, 1999

Michigan Business Roundtable - representing 80 members

- Support the state in its pursuit of more federal transportation dollars.
- Recommend the development of a rational, consistent jurisdictional structure for road building and maintenance.
- Establish a common set of priorities where funding follows needs and addresses infrastructure maintenance as well as growth.
- Encourage the development of regional authorities to address funding and prioritization for non-Interstate roads.
- Support an increase in the diesel fuel tax to help “level the playing field” between trucks and cars.
- With the exception of planning, recommend every service be competitively bid.
- Recommend road construction techniques be extended beyond the current 25-year life cycle and should include encouragement and incentives for minimizing “user delays.”

Citizens Research Council of Michigan

- Jurisdictional Control. Proper alignment of jurisdictional control and road function would help to assure greater accountability in the construction and maintenance of roads and bridges in Michigan.

- Priority Determinations. A common business practice missing from highway administration in Michigan is priority determination for the scheduling of projects and the spending of resources. If projects of lower priority are carried out before more important projects, inefficiency will occur.
- Physical Structure. As the highway agencies begin to rebuild the current highway system this issue considers whether roads and bridges should be built to higher standards.
- Administrative Efficiency. Opportunities to achieve greater efficiency and to reduce overlap and duplication are found in pursuit of privatization and intergovernmental cooperation.
- Highway Funding Allocation. Unless the formula is changed to reflect highway usage, dollars will continue to be maldistributed and result in unnecessarily-high expenditures statewide in order to meet the needs of heavily-used roads and bridges.

Michigan Library Association - representing 296 members

- Continue to direct penal fine revenues to libraries.

August 25, 1999:

Michigan Environmental Council - representing 51 organizations

- Sustainable System. Eliminate capacity improvements from the various definitions of “maintenance;” Establish a five-grade system for classifying road repair conditions. Fund maintenance of the current system; prohibit expansions that cannot be accommodated by the long-range maintenance budget.
- Efficient Mobility. Stabilize transit funding by 1) giving the CTF the first share of MTF monies, and 2) requiring MDOT to fully expend CTF appropriations annually; Establish a Demand Management Fund to promote alternative methods of congestion mitigation, similar to the federal CMAQ program; use demand Management Fund to reward regional cooperation and creative planning.
- Economic Development. Identify capacity expansions as a last resort in congestion mitigation; invest in projects that efficiently move people, rather than cars, to jobs.
- A+ Quality of Life. Require MDOT to plan road projects in a way that complements local master plans; allow communities to disapprove construction plans if a consensus cannot be reached within three years; Adopt a series of indicators to measure the transportation system’s impact on 1) economic viability, 2) environmental protection, 3) equality of opportunity, and 4) quality of life.

John C. Taylor, Ph.D., Wayne State University:

- Raise additional revenue from 1) Local-option county registration-fee surcharges of up to \$100/vehicle, 2) Raise Diesel-fuel tax by 4 cents/gallon, 3) Local-option development impact fees, 4) Use of tax-increment financing for road bonds.
- Raise STF share up to 44.5% over time for key economic-impact roads.
- Change city and county internal formulas to reflect VMT on local roads, if data are available.
- Reserve part of local share to reward local units contributing local revenue.
- Make some of county share available to townships, perhaps with a match requirement.
- Make county road commissions optional at vote of county boards.
- Allow counties to increase the size of road commissions, for better geographic and township representation.
- Give county boards veto power over road commission plans, by two-thirds' vote.
- Give townships veto power over road work.
- Allow counties to combine into regional road authorities, and reward authorities with additional MTF funds.
- Reward local agencies who pool purchases of goods.
- Abolish direct maintenance of highways by MDOT forces; accept bids from private firms and county road commissions. Conduct large-scale experiments in privatization of maintenance.
- Require competitive bidding for longer-term contracts for maintenance of state highways.
- Erect signs indicating what entity is responsible for road maintenance.
- Require local units to seek private bids for a variety of maintenance and construction work; audit compliance.
- Outlaw funding of administrative overhead expenses from MTF funds.
- Repeal restrictions on local agencies' use of MTF distributions, as by legal system or work type.
- Require a minimum number of audits of local agencies.
- Require that MTF distributions be spent in a reasonable period of time.
- Require publication of five-year improvement plans by local units.
- Make all CTF programs discretionary, rather than formula distributions.
- Keep 10-per-cent maximum limit on CTF share of the MTF.
- Make the CTF formula at least partly dependent on ridership level, not reimbursement for expenditures.

- Reduce funding for DDOT and SMART, possibly in the form of administrative salary limits, unless certain standards are met.
- Abolish funding for Amtrak services not meeting ridership requirements.
- Sell state-owned freight railroads.
- Pre-empt local regulation of private transit services, or reduce transit funding for cities regulating private transit providers.

East Michigan Environmental Council

- Require all projects submitted by MDOT to consider transit as an alternative.

September 2, 1999

Metropolitan Organizing Strategy for Enabling Strength (M.O.S.E.S.) - representing 55 congregations

- Increase State funding to \$220 million a year for Public Transit Operating Funds.
- Participate in a M.O.S.E.S. Transportation Summit in the Fall of 1999, to advance a regionally coordinated public transportation plan.
- Create a regional Citizen's Review Committee to assess the environmental and economic impact of any proposal for new roads or major expansions, requiring purchase of right of way.

Michigan Association of Transportation Systems (MASSTrans)

- A call for a legislative mandate to consolidate the numerous transportation funding programs fragmented among many local human service agencies operating under several state departments.
- A reduction in administrative red-tape and paperwork generated in response to MDOT requirements.
- A significant reduction in (or elimination of) discretionary funds within the CTF.
- Capital needs for the rail freight program currently funded with CTF monies, would be handled under MDOT's bonding authority.
- The consolidation of all CTF revenues, minus debt service and administrative expenses, into one category for distribution as operating and capital assistance, with a formula based on equitability and performance factors.

Michigan Railroads Association - representing 18 members

- Continue to earmark \$3 million annually toward railroad grade crossing projects
- Devise a funding mechanism to assist in the construction of highway/rail grade separations where needed.

Community Transportation Coalition (CRAM, MML, MFB, MPOs, MAC, MPTA)

- Recognize that all roads are equally important
- Conduct a needs study
- Continue the cooperative review of road functional classification and jurisdiction.
- Consider the adequacy of current road funding levels to address road needs.
- Continue the current MTF formula.
- Ensure that a minimum of 25 percent of federal road funds goes to local road agencies.
- Allocate a full 10 percent of MTF funds to the CTF and increase public transit's share of automobile sales tax.
- Eliminate non-road-related earmarked administrative funding and off-the-top state debt service from the MTF.
- Reduce local road funding restrictions.
- Dedicate more funds to local bridges.
- Encourage the programming and funding of appropriate road projects in conjunction with community zoning and land use planning.
- Provide townships with a role in road decisions.
- Increase local road agencies involvement in administering the MTF.
- If MDOT changes state highway maintenance projects that are currently performed by local road agencies from an actual cost program to a bid program, it must allow local road agencies into the bidding process.
- Increase the diesel tax rate (not supported by MFB).

Michigan Farm Bureau - presentation based on results from 82 surveys

- Equal recognition of all roads.
- Continue with the current distribution formula until need study is done.
- Expansion of all season road network.
- Increase funding for local bridges and culverts.
- Support mass transit.
- Drainage problems caused by highways.
- Michigan Farm Bureau policy opposes increasing the diesel fuel tax.

Dr. Glenn Stevens, Presidents Council of the State Universities of Michigan - representing 15 institutions

- A short term increase in MIR funding to realistically meet campus needs.
- A long term dedicated fund for public university campus transportation networks.
- Classify public university roads so as to make them directly eligible for MTF monies.
- Classify public university roads so as to make them eligible for federal highway funds.
- All high use public roads should receive priority funding under Act 51.
- Act 51 funding should pay for public roads instead of student dollars.

Michigan Township Association

- Creation of a set-aside fund for counties to be expended only with township direction.
- A clear definition of maintenance and maintaining.
- Allow townships the option for jurisdiction over some or all of their own roads.

